



Report to the Auburn City Council

* Public Hearing
12a., formerly Item 9
Agenda Item No.

City Manager's Approval

To: Mayor and City Council Members
From: Bernie Schroeder, Director of Public Works
By: Carie Huff, P.E., Associate Civil Engineer
Date: April 23, 2012
Subject: Streetlight Retrofit Project – Agreement with PG&E

The Issue

Shall the City Council authorize the Director of Public Works to enter into an agreement with PG&E to complete the Streetlight Retrofit Project?

Conclusions and Recommendation

Staff recommends that the City Council:

1. By **MOTION**, hold a Public Hearing regarding the Streetlight Retrofit Project.
2. By **RESOLUTION**, authorize the Director of Public Works to enter into an agreement with PG&E to complete the Streetlight Retrofit Project.

Background

In 2010, the City of Auburn received a grant from the American Recovery and Reinvestment Act of 2009 (ARRA) through the California Energy Commission (CEC) under the Energy and Efficiently Block Grant Program. The grant monies are to retrofit existing streetlights with more efficient LED technology. Staff had originally solicited bids from contractors to complete the work; however, due to the short time-frame, difficulty in identifying the list of streetlights in the field coupled with inconsistent equipment, complying with the CEC guidelines and the Caltrans permitting process, staff is proposing that the City contract directly with PG&E. PG&E has completed similar projects for other jurisdictions and has the expertise and ability to complete the streetlight retrofit project by the grant deadline of June 14th, 2012. However, in the event that unexpected delays (PG&E emergency call-outs, etc.) impact PG&E's ability to complete construction by the CEC deadline, the City would be eligible for reimbursement up to the June 14th date. City staff would then solicit bids to complete the installation portion of the retrofit.

Government Code sections 4217.16 and 4217.12 allow the City to enter into an agreement with PG&E without a formal bidding process if the Council considers PG&E's proposal and makes a finding that the cost to install energy-efficient streetlights will ultimately be less than the cost to buy electricity for the current streetlights.

Staff has been coordinating with PG&E to generate a list of streetlights which would provide the most cost-savings to the City while maximizing the number of streetlights to be retrofitted and the grant.

Alternatives Available to Council; Implications of Alternatives

1. Proceed with staff recommendation
2. Do not proceed with staff recommendation

Fiscal Impact

The CEC grant amount is \$46,991 plus the \$9,000 in estimated rebates. The City will maximize the amount of lights to be retrofitted while still remaining under budget.

Attachments: PG&E Agreement/Resolution

RESOLUTION NO. 12-

RESOLUTION TO AUTHORIZE A CONTRACT WITH PG&E FOR THE
STREETLIGHT RETROFIT PROJECT

WHEREAS, the City Council desires to make the City as efficient as possible,
both in use of public funds and energy; and

WHEREAS, the City has requested and considered a proposal by the Pacific Gas
and Electric Company ("PG&E") for the removal of incandescent bulbs from
streetlights within the City, and replacement of those bulbs with more energy-
efficient Light Emitting Diode (LED) bulbs under an energy service contract;
and

WHEREAS, Government Code sections 4217.12 and 4217.16 authorize the City
to enter into an energy service contract for conservation services, such as
replacement of inefficient technology with more efficient technology, without
formal bidding and under terms beneficial to the City as determined by the City
Council; and

WHEREAS, the City Council finds the terms of the attached agreement for the
Streetlight Retrofit Project between the City and PG&E to be in the best
interests of the City; and

WHEREAS, pursuant to Government Code section 4217.12, the City Council
finds the anticipated cost to the City for the replacement of incandescent light
bulbs in streetlights with LED bulbs by PG&E under the Streetlight Retrofit
Project contract will be less than the anticipated marginal cost to the City of
thermal, electrical, or other energy that would have been consumed by the
City in the absence of those purchases and installations;

1
2 NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN DOES
3 HEREBY RESOLVE:
4

5 That the City Council of the City of Auburn authorizes the Director of Public
6 Works to execute a contract with PG&E for the Streetlight Retrofit Project.
7

8 DATED: April 23, 2012
9

10 _____
Keith Nesbitt, Mayor

11 ATTEST:

12 _____
13 Joseph G. R. Labrie, City Clerk

14 I, Joseph G. R. Labrie, City Clerk of the City of Auburn, hereby certify
15 that the foregoing resolution was duly passed at a regular meeting of the City
16 Council of the City of Auburn held on the 23rd day of April 2012 by the
following vote on roll call:

17 Ayes:

18 Noes:

19 Absent:

20 _____
Joseph G. R. Labrie, City Clerk
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PG&E LED Street Light Turnkey Replacement Service

Non-binding price estimate to be used for budgetary purposes only

City of:

Auburn

Date of this estimate:

28-Mar-2012

Expiration date of this estimate:

27-Apr-2012

Number of Lights to be Replaced	Voltage	Type	Wattage (Nominal/Actual)	Rate	Suggested Replacement LED
3	120	HPS	70/85	LS-2	20 LED Gen D 350 @ 23.4Watts
1	120	HPS	150/176	LS-2	40 LED Gen D 525 @ 67 Watts
4	120	HPS	150/176	LS-2	90 LED Gen D 525 @ 149 Watts
4	240	HPS	150/202	LS-2	40 LED Gen D 525 @ 67 Watts
4	240	HPS	150/202	LS-2	90 LED Gen D 525 @ 149 Watts
33	240	HPS	200/237	LS-2	60 LED Gen D 525 @ 99 Watts
18	240	HPS	200/237	LS-2	90 LED Gen D 525 @ 149 Watts
4	240	HPS	250/293	LS-2	70 LED Gen D 525 @ 117 Watts
71					

Total Project Price: \$58,996
Total PG&E Rebates: \$8,425
Net Estimated Price: \$50,571

Total Equipment/Material Cost	Total Non-equipment Cost
\$31,017	\$19,554
Installation Cost Percentage	39%

Energy cost savings in first year*: \$4,239
Energy savings (kWh/year): 33,140
CO2 reduction (lbs/year): 17,366
Avoided maintenance expenses in first year**: \$497

CEC 1% Loan:	\$55,113.40	CEC 3% Loan:	\$46,634.41
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Simple Payback (Energy Only): 11.93

*Project Price Notes:

Price includes purchase of requested street lights, installation and field verification of installed lights, disposal service, rate change and rebate application processing.

No permitting costs included in total project price.

Project price assumes all lights to be replaced will be cobra head fixtures and will not include post top, shoe box, tear drop, or decorative fixtures

Project price assumes all street lights to be replaced are currently in operating condition.

Project price assumes no restrictions on installations will be made (e.g.—heavy traffic area, special hours for installation, etc.)

Project price assumes all street lights to be replaced are at an operating voltage between 120-240 volts AC.

Notes:

*Future year savings will grow with the expected increase in electricity and labor costs.

**Avoided maintenance expenses are compared to maintaining HPSV lights.

***The street light manufacturer is BETA LED.

Assumptions:

- » 4100 operating hours annually
- » \$0.12153 \$/kWh electricity cost
- » 0.524 lbs/kWh emission factor
- » \$26 per year maintenance cost for HPSV
- » \$19 per year average maintenance cost for LED
- » City has full jurisdiction over street lights



PROPOSAL NUMBER 1

This Proposal is made and entered into as of _____, 20__ by and between City of Auburn ("Customer") and Pacific Gas and Electric Company ("PG&E"). This Proposal is subject to the terms and conditions of the PG&E Products and Services Agreement between Customer and PG&E dated as of February 03, 2012 (the "Agreement").

DESCRIPTION OF SERVICES

- Scope of Work: Replace an estimated 66 HPSV lights with LED lights in the City of Auburn.
- Number any light poles that are not numbered using badge number stickers provided by PG&E.
- Change the rates to LED and provide documentation on the changes and cost for the street lights.
- Process the rebates and provide documentation on the changes and cost for the street lights.
- Provide a revised GIS-based inventory.

Date work is estimated to begin: To be determined.

MATERIALS DISPOSAL

PG&E will store the materials at the following site:

Address: To be determined.

TRAFFIC CONTROL PLAN

PG&E Contractor shall be required to comply with all applicable federal, state, and local laws, rules, regulations, permits, and codes including without limitation such laws, rules, regulations, permits, and codes with respect to safety and traffic control.

COST AND PAYMENT SCHEDULE

The services under this Proposal will cost Fifty Two Thousand, Six Hundred, Seventy dollars and no cents (\$52,670).

This price does ☒ does not ☐ subtract the value of the LED streetlight rebates from the cost to provide the Services.

Payment Schedule:

Final Payment: Customer will be invoiced for final 100% payment upon completion of this Proposal or when punch list items (if any) have been completed.



If Customer chooses to terminate this Proposal prior to completion of the Services, then Customer shall pay PG&E for all costs accrued up to the date of termination, including all materials purchased.

PG&E will submit invoices to Customer based on the Payment Schedule. Each invoice will reference the Agreement and this Proposal and be submitted to Customer's billing address as set forth below. Customer will remit payment to PG&E within 14 days after receipt of the invoice.

RIGHT TO CANCEL

PG&E will work towards completing scope of work by June 14th, 2012. However, PG&E will notify customer if date of completion cannot be met by giving written notice to Customer. In the event of such cancellation, PG&E will be released from any obligation to Customer established by this Proposal and Customer shall pay PG&E for all costs accrued up to the date of termination, including all materials purchased.

BUSINESS CONTACTS:

PG&E's primary business contact for this Proposal:

Name: Brent Patera
Address: 245 Market Street, Mail Code N10D
San Francisco, CA 94105
Telephone: 415-973-535 or 415-265-7232
Email: bxpl@pge.com

Customer's primary business contact for this Proposal:

Name: Carrie Huff
Title: Civil Engineer
Address: City of Auburn
1225 Lincoln Way
Auburn, CA 95603
Telephone: 530-885-5508
Email: chuff@auburn.ca.gov

CUSTOMER BILLING CONTACT:

Customer's billing contact for this Proposal:

Name: Carrie Huff
Title: Civil Engineer
Address: City of Auburn
1225 Lincoln Way
Auburn, CA 95603
Telephone: 530-885-5508
Email: chuff@auburn.ca.gov



AMERICAN RECOVERY AND REINVESTMENT ACT DISCLOSURE

PG&E and Customer acknowledge and agree that, to the extent the Services described in this Proposal are, at any point in time, funded in whole or in part using federal funds awarded or granted directly or indirectly to Customer by or through the United States Department of Energy by virtue of appropriations under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5 (the "ARRA"), the special terms and conditions set forth in Section 11.5 of the Agreement will apply.

This Proposal is ☒ is not ☐ funded (in whole or in part) by federal funds appropriated under the ARRA.

IN WITNESS THEREOF, the parties agree to be bound by this Proposal as of the date first set forth above.

CUSTOMER CITY OF AUBURN

PACIFIC GAS AND ELECTRIC COMPANY

Print Name: _____

Print
Name: _____

Roxanne Fong, Manager

Signature: _____

Signature: _____

Date: _____

Date: _____



MANUFACTURER'S WARRANTY INFORMATION

Street light manufacturer's contact information:

The street light manufacturer's contact information and warranty will be attached to each Proposal.

Beta LED

1200 92nd Street
Sturtevant, WI 53177-1854
Phone: (800)236-6800

Photo control warrantor's contact information:

Ripley Lighting Controls

2023 Platt Springs Road
P.O. Box 3229
West Columbia, SC 29169
Phone: 803-939-4700
Fax: 803-939-4777

Warranty period:

8 years.

Warranty is attached.



The Beta LED Commitment

Limited LED Product and Driver

We warrant to the original purchaser, with proof of purchase, its delivered products should be free from defects in the material and workmanship for up to (5) years from date of installation.

We will repair, or at our option, replace the defective product during the standard warranty period. This warranty applies only to the repair or replacement of the product and only when the product is properly handled, installed and maintained according to our instructions. This warranty excludes defects resulting from improper installation, acts of God, fire, vandalism or civil disturbances. Purchaser must notify us in writing within 60 days of noticing the defect. This warranty excludes field labor or service charges related to the repair or replacement of the product.

Limited LED Warranty

We warrant to the original purchaser, with proof of purchase, its supplied LEDs for (5) years from date of installation. Beta Lighting will repair, or at our option, replace the defective fixture during the stated warranty period should there be greater than 3 simultaneous LED failures per fixture. "Failure" is considered a non operating LED. This warranty excludes field labor or service charges related to the repair or replacement of the product.

Limited Finish Warranty

We will warrant to the original purchaser, with proof of purchase, its DeltaGuard® finish for a period of 10 years from date of installation. We will repair, or at our option, replace the defective finish if it exhibits cracking, peeling, excessive fading or corrosion defects during the warranty period. This warranty applies only to the DeltaGuard finish and only when the product bearing the DeltaGuard finish is properly handled, maintained, installed and exposed to normal environmental conditions. This warranty excludes defects resulting from improper handling, storage, installation, acts of God, fire, vandalism or civil disturbances. Purchaser must notify us in writing within 60 days of noticing the defect. This warranty excludes field labor or service charges related to the repair or replacement of the DeltaGuard finish.



**Pacific Gas and
Electric Company**

Agreement No: SLT-072.1 Auburn
PO #:

RIPLEY LIGHTING CONTROLS

DIVISION OF SOUTHCONN TECHNOLOGIES INC

2023 Platt Springs Road
P.O. Box 3229
West Columbia, SC 29169
Phone: 803-939-4700
Fax: 803-939-4777

WARRANTY

The 6300 Series carries an 8-year warranty. If the product fails due to manufacturing defect within its warranted period, Ripley Lighting Controls will choose to either replace or repair the lighting control unit. This warranty does not cover damage caused by accident, abuse, misuse or lightning strikes. Ripley's liability hereunder shall be limited to replacement or repair and shall not cover the cost of removal or installation of the unit, nor any consequential damages. Ripley Lighting Controls assumes no further liability with respect to the sale or use of this product. This warranty is in lieu of other warranties, expressed or implied, including the warranty of merchantability. Ripley Lighting Controls makes no warranty with respect to the suitability of the user's particular application. This warranty gives the user specific legal rights.



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City of:

Auburn

Date of this estimate:

13-Apr-2012

Expiration date of this estimate:

13-May-2012

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4	120	HPS	150/176	LS-2	60 LED Gen D 700 @ 139 Watts
4	240	HPS	150/202	LS-2	90 LED Gen D 525 @ 149 Watts
4	240	HPS	150/202	LS-2	60 LED Gen D 700 @ 139 Watts
16	240	HPS	200/237	LS-2	60 LED Gen D 700 @ 139 Watts
38	240	HPS	200/237	LS-2	90 LED Gen D 525 @ 149 Watts
66					

Total Project Price: \$60,620
Total PG&E Rebates: \$7,950
Net Estimated Price: \$52,670

Total Equipment/Material Cost \$33,423	Total Non-equipment Cost \$19,247
Installation Cost Percentage 37%	

Energy cost savings in first year*: \$2,950
Energy savings (kWh/year): 23,054
CO2 reduction (lbs/year): 12,081
Avoided maintenance expenses in first year**: \$462

CEC 1% Loan: \$38,343.86	CEC 3% Loan: \$32,444.81
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Simple Payback (Energy Only): 17.86

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